

INSIDE VIRGINIA

AN INFORMATIONAL RESOURCE FOR PROGRAMS, EVENTS & OPPORTUNITIES THAT CREATE THE VIRGINIA BUSINESS ADVANTAGE

June / July 2004

FEATURED CLIENT

When you pick up a phone, do you know where the dial tone comes from? When you listen to your voicemail messages, do you know where those messages are stored? Most businesses don't want to be bothered with the technology of the system, but just want a fast, reliable communications system that is easy to use and provides all the functionality their business demands. Carlos Munoz discovered success in this niche market when he founded **CAM Communications, Inc.** (CAMCOM) in 1991. CAMCOM is now one of Virginia's premier telephone/data management systems and data networking solutions providers, offering a one-stop-shop for business voice communications, data network and cable systems needs.

The Fairfax-headquartered company has grown from a few technicians serving a small clientele to a \$13.5 million company with 33 employees and a host of subcontractors performing all aspects of telecommunications. Services include central office engineering, furnishing equipment, installing high-speed voice and data networks, design configurations and installation of surveillance equipment, LAN/



WAN systems and voicemail systems.

Munoz credits the company's success to a slow, managed growth pattern, and a dedication to responsive, high quality service. In fact, 80% of CAMCOM's business is repeat business, and its client list includes corporate heavy hitters like Verizon, MCI, SBC and Comverse. In 2002, CAMCOM received the Supplier Excellence Award for Quality from Verizon. Munoz was named Entrepreneur of the Year in 1996 by the Greater Washington Ibero-American Chamber of Commerce and Entrepreneur of the Year in 2003 by *Hispanic Magazine*.

CAMCOM was introduced to DBA by the Fairfax County Economic Development Authority and is now a new client of DBA's Workforce Services division under the Small Business New Jobs Program. DBA will provide consulting services and organizational development training, at no charge, as well as partial reimbursement of CAMCOM's recruitment and training expenses. This fiscal year, DBA's Workforce Services team has worked with 42 women and minority-owned businesses in Virginia and looks forward to serving more of these businesses in the future.

SWAMs and State Spending

DBA will host the Virginia Business and Economic Development Seminar, "Doing Business with the Commonwealth: Small, Women and Minority-Owned Business Opportunities," on June 23, 2004 at the Norfolk Sheraton Waterside.

Recognizing that small

businesses fuel Virginia's economy and that traditionally underutilized businesses continue to seek more opportunities in public sector procurement, seminar panelists are prepared to discuss statewide initiatives to increase supplier diversity.

State departments with significant buying power will be represented. In addition, a

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Virginia Maintains Its Seal of Good Fiscal Management

By Governor Mark R. Warner

The Commonwealth of Virginia has a long tradition as one of the best fiscally managed states in the country. Regardless of the political party of the incumbent Governor, Wall Street and national analysts have rated the state as a good investment. But in recent years, decisions were made in Virginia that threatened our state's highest possible AAA bond rating. I am pleased to report back to Virginians that we were able to return Virginia to sound business practices in the recently concluded General Assembly session, and maintain our AAA bond rating.

Moody's placed Virginia on its Watchlist in September 2003. This is typically the first step toward a ratings downgrade. Moody's cited a deteriorating balance sheet, economic weakness, increasing spending requirements for Medicaid and other programs, the phase-out of the car tax, and the significant draw down of the Revenue Stabilization -or "Rainy Day"- Fund. \$1.5 billion in annual tax



breaks that were given out since the mid-1990s had created an ongoing "structural imbalance" in our budget. We did a first-ever six-year financial projection that showed our required spending did not match historic revenue growth.

My first choice was to make budget cuts and streamline government. After these actions were made and a series of reforms were undertaken to make government more efficient, it became clear that the state was still short of revenue. Several tax commissions in recent years had determined that Virginia needed to reform its tax code, and I was of the same opinion. With the urging of many diverse groups including the Virginia Chamber of Commerce, the legislature eventually voted to

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ASK VBIC

Are women considered minorities? In Virginia, women are not considered minorities. This varies from state to state, and is dependent on legislative code which defines the minority groups. In Virginia, minorities are defined as belonging to one of five groups: Asian American; Hispanic American; Eskimo and/or Aleut; African American; Native American.

What is "supplier diversity"? When private sector firms and government agencies work proactively to engage more women and minority businesses as vendors, with the objective of buying more products and services from these firms, this is known as promoting "supplier diversity."

What is "business utilization"? "Business utilization" is tracking and measurement of the contracting performed with historically underutilized firms in procurement, with the objective of increasing dollars spent with these firms.

VIRGINIA BUSINESS INFORMATION CENTER

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SWAMs CONT'D

Procurement Fair is scheduled following the seminar where small, women and minority business owners will be able to speak one-on-one with state purchasing officers.

For more information or to register, please visit www.dba.state.va.us/forms.asp or call (804) 371.8200.

Governor Warner Announces Small Business Incubator Grants

Governor Mark R. Warner recently announced the grant recipients of the Virginia Small Business Incubator Program. Eight organizations from across the Commonwealth received grants totaling \$243,040 for the purpose of strengthening small business incubators.

He awarded \$50,000 to the Empowerment 2010 Small Business Resource Center, \$40,000 each to Floyd County's Jacksonville Center and Highland Center, \$30,000 each to the Jefferson Davis Enterprise Center and the West Piedmont Business Development Center, \$25,000 to Winchester Incubation Regional Enterprise, Inc., \$20,540 to Orange Business Incubator, Inc. and \$7,500 to Lunenburg County.

Research shows that 87% of companies graduating from incubation programs - multi-tenant facilities designed to provide start-ups with office space, flexible lease terms and shared office services - continue to prosper as dynamic members of the business community, far outstripping the success rate of traditional startups. The Virginia incubator network houses over 250 businesses that employ more than 850 people. Twenty-

one percent of these businesses are minority-owned and 19% are women-owned.

Roanoke Incubator Program Receives National Award

Roanoke's New Century Venture Center (NCVC) was named the 2004 Randall M. Whaley Incubator of the Year at the National Business Incubation Association's (NBIA) 18th International Conference in Atlanta. The Whaley award, NBIA's most prestigious honor, recognizes overall business incubator excellence.

The NBIA is the world's leading organization - advancing business incubation and entrepreneurship. Each year, the NBIA Incubation Awards honor the business incubators, client companies and graduates that exemplify the best of the industry.

Since 1996, NCVC has assisted entrepreneurs from Roanoke and its surrounding areas by providing tailored business assistance at critical business stages, helping them excel and quickly shepherding the companies back into the community.

"One of the secrets to NCVC's long-term success is flexible programming, which enables the center to serve clients with a wide range of skills and backgrounds," said Lisa Ison, President of NCVC.

In addition, NCVC offers entrepreneurship and job training programs to segments of the business community that might otherwise be underserved. These initiatives provide NCVC with additional revenue streams and help cultivate a new crop of entrepreneurs within the community.

GOVERNOR WARNER CONT'D

pass a tax reform plan and budget that meets our core responsibilities. The plan lowered the sales tax on food and allowed many people to deduct a greater portion of their income, while raising the sales tax, cigarette tax, and recordation tax on home purchases. This plan generates roughly \$700 million in new revenues each year that will be invested in key areas such as education, health care, natural resources, and to replenish our Rainy Day Fund.

This past Thursday, Moody's re-affirmed our AAA bond rating. Their opinion was clear:

Confirmation of the Commonwealth of Virginia's AAA general obligation bond rating is based primarily on three factors: improving revenues

brought by a recovering economy, a budget and tax reform package that restrains spending growth and provides significant new sources of recurring revenue; and a cap on the state's liability for phasing out the annual personal property tax on automobiles. These measures will restore the state's structural budget balance and illustrate the strength of the Commonwealth's long tradition of conservative management.

Moody's action will save us millions in borrowing costs for our public infrastructure. But perhaps more important psychologically, it serves as a clear sign to existing and potential employers that Virginia is a great place to do business.

NCVC was also recognized by NBIA with an Excellence in Business Incubation award for its impact on economic development in the Roanoke region. Since 1996, the incubator's 25 graduates have created nearly 200 new jobs in the Commonwealth.

state.va.us/forms.asp or call (804) 371.8200.

CALENDAR

06.22.04 to 06.23.04
Virginia Business Incubation Association Annual Conference

06.23.04
Doing Business with the Commonwealth:
Small, Women & Minority Owned Business Opportunities

Visit www.dba.state.va.us for more details and other events.

Virginia Business Incubator Association Conference

The Conference is scheduled for June 22 -23 at the Day's Inn in Herndon, Virginia. It is

designed for all local and regional economic development leaders and business advocates. Others from the community that are involved in or interested in business development programs will also find the conference beneficial. To register, please visit www.vbia.org.

New DBA Project Finance Manager

DBA's Financial Services Division welcomes **JULIE TIDOVSKY-JAMES** in the position of Project Finance Manager. She will be handling finance projects in Virginia's Central and Valley regions. Before DBA, James was a commercial lender for BB&T where she worked with small and mid-sized companies. She holds a B.S. in International Trade and Finance and an M.S. in Finance, both from Louisiana State University.

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